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LETTER DATED 7 JULY 1994 FROM THE SECRETARY-GENERAL ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

In view of the unprecedented gravity of the situation which the United Nations is facing with regard to the cash accounts of its peace-keeping operations, I am writing to draw the attention of the Security Council to a series of emergency measures which I have felt impelled to take with immediate effect.

I am also writing to appeal to those Member State which have not done so, to pay their outstanding contributions promptly and in full.

Yesterday, the Under-Secretary-General for Administration and Management brought this situation to the attention of the General Assembly, as the body responsible for approving the budgets of peace-keeping operations and the apportionment of their costs among Member States. He also appealed to Member States with outstanding contributions to make every effort to expedite payment.

In view of the responsibility of the Security Council for matters pertaining to international peace and security, I have concluded that the Council also should be advised of the seriousness of the situation, and that the Council should be asked to lend its support to the necessary actions.

As of last week, several major missions, including the United Nations Operation in Somalia (UNOSOM) and the United Nations Operation in Mozambique (UNOMOZ), were left with no funds in their accounts. Other missions in an equally precarious situation are: the United Nations Observer Mission in El Salvador (ONUSAL); the United Nations Interim Force in Lebanon (UNIFIL); the United Nations Iraq-Kuwait Observer Mission (UNIKOM); and the United Nations Protection Force (UNPROFOR).

A minimum of $200 million is needed each month to sustain the various peace-keeping operations, without allowing for reimbursements to troop-contributing countries. An additional $100 million a month is required to effect such reimbursements. At present, the Organization does not have these funds.

As of 30 June 1994, unpaid assessments for peace-keeping operations mandated by the Security Council exceeded $2,100 million. A number of contributions expected from Member States in June were not received. Unless,

therefore, substantial contributions are received immediately, no cash will be available to finance peace-keeping operations by the end of July or early August.

The Peace-keeping Reserve Fund and the funds available from the two completed operations, the United Nations Iran-Iraq Military Observer Group (UNIIMOG) and the United Nations Transitional Assistance Group (UNTAG), are quite inadequate for these purposes.

I have therefore come to the conclusion that, as an interim measure, it will be necessary to borrow from some ongoing peace-keeping operations, which have very limited resources themselves, to meet the immediate requirements of other operations.

I have also decided to take urgent steps to reduce or delay expenditure in the peace-keeping operations as follows:

(a) All peace-keeping missions are being instructed to reduce or delay expenditures to the maximum extent possible;

(b) All but the most urgent procurement is being postponed;

(c) Recruitment is being postponed in all but the most essential cases.

Every effort has been made in the last few months to accelerate reimbursement of troop costs. However, in view of the gravity of the current financial situation, I have no alternative but to ask Governments of troop-contributing countries to show forbearance.

I should like to express my sincere appreciation to those Member States which have responded promptly to the assessment letters they have received. Unfortunately, however, such States constitute a very small minority of the membership of the Organization.

Substantial payments are needed urgently if operations are not to face financial collapse. I therefore appeal to Member States, particularly those with large outstanding contributions and those with special responsibilities for peace and security, to make every effort to expedite their payments and to do so soon.

All Member States have a collective responsibility to support financially the operations which they have mandated. Member States must honour their commitments now, if the Organization is to fulfil the tasks assigned to it.

(Signed) Boutros BOUTROS-GHALI